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ECONOMIC AFFAIRS

No. 16

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# CHINA REPORT

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## NATIONAL ECONOMIC POLICY

### 'GUANGMING RIBAO' REVIEWS 'THEORY OF CONDITIONS'

Beijing GUANGMING RIBAO in Chinese 6 Sep 79 p 4 HK

[Article by Li Minsheng [2621 2404 3932]: 'The 'Theory of Conditions' Is a Materialist Theory"]

[Text] In building our socialist economy, should we proceed from objective conditions and uphold the "theory of conditions"? This question had remained unsettled for a long time. The party Central Committee recently put forward the policy of readjusting the national economy. This was a wise policy decision compatible with our country's actual current economic development conditions. To correctly implement this policy, we must adhere to the dialectical-materialist ideological line, distinguish between right and wrong ideas regarding the "theory of conditions" and overcome objectivism in our work.

#### I

For a long time, the "theory of conditions" had been taken as a synonym of rightist conservatism and has been subject to criticism. In 1958, some comrades said: The "theory of conditions" is mechanical materialism as well as the theoretical basis of the "retreat advocates" and "time watchers." While criticizing the "theory of conditions," they shouted at the top of their voices: "The greater man's courage is, the more products the earth will yield" and "we are not afraid of being unable to do something but are afraid of being unable to think something out." They held that these were the only "slogans imbued with the revolutionary spirit" and that these slogans alone were "compatible with dialectical materialism." The criticism of the "theory of conditions" during the late 1950's played an undesirable role in whipping up ultraleftist ideas at that time. Criticizing the "theory of conditions" meant criticizing materialism and advocating voluntarism. This was an important component of the trend of idealist thinking which was widely prevalent at that time.

Marxism holds that: "Men create their history. However, they do not create history as they wish and under the conditions they choose. They create history under the conditions which they directly face and which



have been set beforehand and inherited from the past." ("Collected Works of Marx and Engels," Vol 8, p 121) This is the basic Marxist viewpoint regarding the "theory of conditions." The creation of history by the masses cannot be separated from certain historical conditions. These historical conditions are real and objective, inherited from the past and independent of man's will.

The work of our country's socialist construction is determined by our country's historical conditions and must have its own special features. Our country was a semifeudal and semicolonial state whose social economy lagged very far behind. We could only build our social economy on the basis of the ragged economy left behind by the Kuomintang reactionaries. We could only draw a blueprint of construction by proceeding from these historical conditions. After the founding of new China, the party Central Committee headed by Comrade Mao Zedong adopted realistic, correct policies compatible with current objective conditions and succeeded in guiding the Chinese people to smoothly tide over the 3 years of financial difficulties. It also laid a good foundation for implementing the 1st 5-year plan. Our national economy registered an unprecedentedly extensive development during the 1st 5-year plan. However, as a result of the tendency to effect the transition to communism prematurely, a work style characterized by exaggeration and the practice of giving arbitrary and impracticable directions during the late 1950's, man's subjective initiative was exaggerated and people were encouraged to undertake projects which were above objective conditions and beyond their abilities. Eventually, our country's economy suffered a serious setback. This was a very impressive lesson. In 1961, the party Central Committee headed by Comrade Mao Zedong proceeded from the current objective conditions and adopted the policy of "readjusting, consolidating, filling out and raising standards," thereby quickly improving the national economy.

These historical facts vividly tell us that proceeding or not proceeding from objective conditions will lead to two completely different results. Why did a favorable economic situation lead to a poor result? Why did a difficult, unfavorable economic situation lead to a good result? The key lay in adhering to the materialist line of understanding, proceeding from objective conditions in drawing up our policies and plans and working according to objective economic laws.

Comrade Zhou Enlai incisively summed up the valuable experiences of our country's socialist economic constructions in his "Report on the Proposals for the 2d 5-Year Plan for Development of the National Economy" delivered to the 8th NPC. He pointed out: "We should realistically lay down targets according to the basic demands for socialist industrialization and according to the conditions of the state's material and financial resources and manpower. At the same time, we should retain some reserve forces to insure that the plan is on a considerably reliable basis. When we have favorable conditions, we should see that some unfavorable factors exist and will continue to exist in the future, and we must not be impetuous



and rash. On the other hand, when we have unfavorable conditions, we must see that many favorable factors exist and will continue to exist in the future, and we must not stand still. That is to say, we should make an all-round analysis of the objective conditions." Comrade Zhou Enlai criticized the wrong tendency of "blindly and recklessly making advances regardless of conditions" which occurred in the course of socialist construction. Practice of the past 2 decades shows that Comrade Zhou Enlai's opinion was entirely correct and that those people were wrong and divorced from reality who held that there would not be any reckless advances in socialist construction and that it was unnecessary to combat it. These people even drew the conclusion that continuously right deviationism was the law of socialist construction.

## II

The main argument used in criticizing the "theory of conditions" at that time was: "Of many conditions, one plays a decisive role--man's thinking or his subjective initiative." On the other hand, the "theory of conditions" knows of "only material and not human factors" and "knows of only the objective law of the development of things independent of human will" and "puts no faith in everything in the natural world being dictated by man and put at his disposal." This involves a basic problem: How can man give full play to his subjective initiative? What are the ties between subjective initiative and objective conditions?

Marxism holds that people's activities are restricted by objective conditions and cannot exceed the limitations of objective conditions. Objective conditions constitute the basis. Only through objective conditions can man's conscious activity be brought into play. Those who advocate that conscious activity "plays a decisive role" are advocates of subjective idealism. In socialist construction, we must combine subjective wishes with objective possibilities and base subjective wishes on objective possibilities. Comrade Mao Zedong pointed out: "Whatever we do must accord with reality, otherwise it is wrong. In order to do what accords with reality, we must consider what is imperative and what is possible, and what is possible depends on political and economic conditions and the cadre situation." ("Selected Works of Mao Tsetung," Vol 5, p 119) But possibilities are not realities. The translation of a possibility into a reality also depends on conditions. When objective conditions on which possibilities are based exist and become ripe, people must correctly use them and give full play to their subjective initiative. Only in this way can possibilities be translated into realities.

By the "theory of conditions," we do not mean the negation of the role of mankind's subjective initiative in the process of understanding the transforming the world. It is a one-sided or wrong viewpoint and mechanical materialism to think that only the objective world can act on man in every way and that man cannot react on the natural world and society. However, in understanding and transforming the world, we must understand, grasp and

apply objective laws and not act contrary to objective laws, doing things according to our subjective wishes. If our plans are far removed from the realm of possibilities permitted by objective conditions, we can only end up bringing disaster and suffering to people.

In socialist construction, we must adhere to the principle of going ahead where conditions permit and not doing so where conditions do not. An important task in revolutionary work calls for creating adequate favorable conditions for our cause and changing various unfavorable conditions. But creating favorable conditions and changing unfavorable ones likewise cannot exceed the limitations of objective laws and objective conditions. We cannot think that all conditions can be freely created and freely changed.

Due to the complexity of objective conditions, our understanding of them involves a process. Objective conditions change and so should our knowledge. Practice is the sole criterion for testing truth. Whether our subjective knowledge reflects objective conditions in an overall and profound manner must be tested in practice. Therefore, we cannot negate economic accounting. Nor can we oppose "those advocates of the post-autumn preparation of balance sheets." Only those reforms and measures proven by practice as productive of good results can be affirmed and popularized. We call for taking objective economic results as a yardstick in judging whether the results of our economic work are satisfactory. This is beyond reproach. Even where something advanced is concerned, everyone must be allowed to prepare a balance sheet or make a summary, so that we can know its strengths and its inadequacies. Such a practice does us all good and does not have a single disadvantage.

### III

As early as over 20 years ago, Comrade Mao Zedong pointed out: "The revolution and construction cannot succeed unless subjectivism is overcome." ("Selected Works of Mao Tsetung," Vol 5, p 297) But for a fairly long period afterward, this directive by Comrade Mao Zedong had not been thoroughly implemented. Subjectivism (that is, idealism) had also not been overcome. On the contrary, it often asserted itself. For instance, it assumed such forms as subjectively seeking the enlargement of class struggle, going beyond the limitations of objective conditions in changing the relations of production and seeking a rash advance in construction. Lin Biao and the "gang of four" capitalized on these very faults of ours in promoting their ultraleftist line. The practice of acting according to one's subjective wishes without regard to objective conditions still exists. Therefore, a restudy of Comrade Mao Zedong's above instructions in a serious effort to overcome subjectivism is still an important task in the process of achieving the four modernizations.

Since the smashing of the "gang of four," our national economy has revived and developed. But some comrades only see our favorable conditions. Unrealistically, they take our effort to achieve the four modernizations as

something deceptively easy or something that is all plain sailing. They overlook the difficulties involved, especially the fact that the evil consequences of Lin Biao's and the "gang of four's" serious disruption of the national economy for over a decade cannot be completely overcome in 2 years or more. A most obvious problem in the current national economy is a serious imbalance between agriculture and light and heavy industry, between production and capital construction, between raw materials, fuels and the power and processing industry and between consumption and accumulation. Without solving these problems, the national economy cannot get ahead. Herein lies the significance of carrying out the guideline of "readjusting, restructuring, consolidating and improving." But some comrades up to now still take the serious imbalance as a matter of fundamental harmony or something inconsistent with the implementation of the said guideline. This shows that the minds of these comrades have not been emancipated from a subjectivism that is marked by inattention to objective conditions.

In our efforts to bring about the four modernizations, we must base ourselves on current objective conditions and proceed in an orderly way and step by step; we must not blindly try to create a situation in which "10,000 horses gallop ahead abreast." For a long period in the past, we suffered enough from imbalances and the blind desire for bigger and quicker results. Some of our comrades indeed are fond of high targets; to them, high targets are pleasing to the eye and ear and nice to speak of. In their opinion, higher targets are Marxist while lower ones are revisionist. In our economic construction, this is the expression of the erroneous mentality of "preferring being 'left' to being right." It is also an expression of subjectivism. To us, plans or targets can be Marxist only when they conform with objective reality. Our experiences in socialist construction have shown that it is necessary to temporarily take some steps backward in certain respects as dictated by objective conditions and that the aim of taking one step backward is to take two steps forward. Therefore, we must not generalize that "to start projects" is good while "to discontinue projects" is bad. It is imperative to decide on the scale, pace and content of our construction strictly according to objective possibilities.

We must now overcome the one-sidedness in the views held by some of our comrades who only speak of subjective initiative but not of objective laws, only understand the needs but not the bounds of possibility, and keep to the kind of one-sided viewpoints that only emphasize the need to be daring in thinking and action but speak nothing of the limitations of objective conditions. We must uphold dialectical materialism, thoroughly criticize the idealist epistemological line trumpeted by Lin Biao and the "gang of four," eradicate the pernicious influence of voluntarism and always proceed from objective reality to do a good job in readjusting our national economy and to make greater contributions to the four modernizations.

## NATIONAL ECONOMIC POLICY

### PRC TO ANNOUNCE WINNERS OF 'NATIONAL QUALITY AWARDS'

Beijing XINHUA Domestic Service in Chinese 1201 GMT 6 Sep 79 OW

[Excerpt] Beijing, 6 Sep--China has decided to give national quality awards to top-quality industrial products in order to encourage industrial enterprises to keep improving the quality of their products.

The selection of the 1979 national quality awards winners was completed after a month-long, careful evaluation. The winners of the national gold and silver medals will soon be made public.

With the approval of the State Council, the State Economic Commission promulgated the "PRC Rules for Encouraging Top-Quality Industrial Products" on 30 June 1979. The commission decided to present the national top-quality awards starting this year and published the requirements for winning the awards, as well as the evaluation and selection procedures. A national quality awards evaluation committee was formed comprising responsible persons of the State Economic Commission, the Standardization and Metrology Bureau, the General Industrial and Commercial Administration Bureau, and 34 other departments. Kang Shien, vice premier and minister of the Economic Commission, is serving as chairman of the evaluation committee.

Since the news of selecting top-quality products for the national quality awards was made public, vast numbers of workers and staff of various enterprises throughout the country have responded with enthusiasm and widely launched a movement to increase production and practice economy, with special emphasis on raising product quality standards. Various localities and departments have assigned full-time personnel to work earnestly in selecting top-quality products. The result is a list of 1,239 top-quality products as candidates for the quality awards. After consultation among 19 units of the State Council and various provinces, municipalities and autonomous regions, 286 finalists were chosen and recommended to take part in the contest for the national quality awards.

The State Economic Commission, the Standardization and Metrology Bureau and the General Industrial and Commercial Administration Bureau jointly held a 1979 national quality awards evaluation conference in Beijing 18-20 August. During the conference, views were exchanged and a fuller understanding of the products was reached. With a sense of responsibility to

the state and people and in accordance with the provisions of the promulgated rules, participants made a vigorous and careful evaluation of the products. They gave full credit to what is really good and did not hesitate to eliminate those of defective quality. Through this process of rigorous elimination, the evaluation committee finally approved 172 winners of the national quality awards.

CSO: 4006



## NATIONAL ECONOMIC POLICY

### 'NANFANG RIBAO' STRESSES IMPROVING PRODUCT QUALITY

Guangzhou Guangdong Provincial Service in Mandarin 2330 GMT 7 Sep 79 HK

[Report on 8 September NANFANG RIBAO commentator's article: "Make Still Greater Efforts and Continue To Fight Well the Battle To Improve Quality"]

[Excerpts] The article points out: To make a success of the current second "quality month," it is necessary to overcome certain erroneous ideas. Some people say that 1 month is too short a time to solve any problems. This is a one-sided view. We must realize that launching a "quality month" and spending a period of time in organizing an extensive mass movement is a very good form of improving product quality. Although 1 month is not long, so long as the leaders make great efforts to grasp the work, great improvements can be recorded in product quality. Of course, it is necessary to establish the idea of fighting a protracted battle to improve product quality.

The article says: After doing very well in the first "quality month" last year and continuing to improve quality this year, some comrades hold that the quality problem has already been solved in their units. This blind complacency is intolerable. It must be realized: Even if product quality in your unit has been restored to its previous best level, this does not mean that it has caught up with advanced domestic or foreign levels. We must understand that daily changes are taking place in the world's products, and we must keep in view the demands of the state and people, and thus set ourselves still higher targets and carry out upgrading and improvement of products in a planned way, so as to catch up with advanced international levels.

The article says: The moment some comrades hear it said that the quality of their products is poor, they one-sidedly lay stress on external factors and grumble about poor quality of the products of factories cooperating with them and of raw materials. It must be admitted that there are many factors affecting product quality. Due to the interference and sabotage of Lin Biao and the gang of four, quality of some raw materials and other items has been poor in recent years. This has indeed caused difficulties to production in the enterprises. However, as far as an enterprise itself is concerned, it should mainly seek the causes of poor quality from internal factors, and should not grumble at others and stress external factors.

## NATIONAL ECONOMIC POLICY

### BELJING YOUTHS ORGANIZE LABOR COOPERATIVES

Beijing XINHUA in English 0702 GMT 9 Sep 79 OW

[Text] Beijing, September 9 (XINHUA)--Some 88,000 young school leavers in Beijing have been organized into 1,200 producers' and service trades cooperatives since the end of April.

This programme has been undertaken by the municipality in order to provide work for its young people who are waiting for employment.

Some 120 different types of jobs are involved, from knitting, embroidery, installing neon lights, photography, cutting hair, running canteens, and selling cold drinks, to work in fine arts, handicrafts, processing export goods and tourist souvenirs. Some young people are engaged in trades which make use of leftover bits and pieces from state enterprises.

Beijing has thus built up a citywide network of cooperative organizations, with a general office at the municipal level, big coops for the districts and main streets, and neighbourhood coops at the grassroots level. The government provides the necessary supplies of raw material, and fixes a reasonable rate of tax. The young cooperative members are presently earning an income of between 30 and 60 yuan per month, which is comparable to the income of a state-owned factory worker.

Neighbourhood committees help raise the funds for capital investment. Retired workers and artists give technical advice, teaching the young people for example to make silk flowers and birds, to produce lacquerware and to carve jade, to repair watches and acquire other skills.

City life has become more colourful and facilities have increased with the development of these young people's cooperatives.

Their "cultural service" groups arrange chess contests, sing ballads and offer other musical entertainments in the parks, paint and compose on the spot and sell their work. Their carpenters' coops, numbering 100, now answer house calls to repair furniture. Their service coops visit factories, schools and government offices to offer their various services. In one case, 200 young people living in residential quarters of government workers' families organized themselves into a service coop to take over such diverse tasks as sanitation and hygiene work, mending, house moving and other services, much to the delight of the inhabitants.



## NATIONAL ECONOMIC POLICY

### BRIEFS

BEIJING WORKER RECRUITMENT--Beijing, September 8 (XINHUA)--Beijing has begun to recruit new workers through examinations, and has abandoned the old practice of deploying labour with little regard for personal preference or for talent. Nearly 70,000 young people sat the Chinese language and mathematics exams required for autumn recruitment. Some 46,000 passed with good marks and are being given jobs in industry, transport, capital construction, trade and commerce, and in cultural establishments in the city. Those who applied to be drivers, electricians, carpenters and for other occupations requiring special skills took extra tests. The new procedure is meant to provide for selection of the best first, while giving encouragement to serious study and to the initiative of the individual. Most of these autumn recruits were senior or junior middle school graduates before 1977. They are aged between 16 and 35. Some had gone to settle in the countryside on leaving school and returned to the city because of health or family problems. Some had, on graduation, stayed in the city to wait for assignment because of the age, health or economic condition of their parents; others had returned to the city recently with parents wrongly criticized during the cultural revolution. New recruits for technical jobs go through an apprenticeship of two to three years, during which they are given expenses for board, and an allowance for clothing and pocket money. They enjoy labour protection and medical care provided by the state. [Text]  
[Beijing XINHUA in English 0842 GMT 8 Sep 79 OW]

CSO: 4020

## GENERAL ECONOMIC INFORMATION

### 'XINHUA' ASKS WHY SHANGHAI SUBURBAN WORKERS RESIDE IN CITY

Beijing XINHUA Domestic Service in Chinese 0247 GMT 7 Sep 79 OW

[Second in series of investigation reports on urban problems by XINHUA reporters Yao Yang and Zhang Xuequan: "Why Do Few People Settle in Shanghai's Satellite Townships?"]

[Excerpts] Shanghai, 7 Sep--Shanghai is China's biggest industrial city. Its population has been growing along with industrial development since liberation and is now terribly crowded. In the late 1950's, the Shanghai Municipal CCP Committee laid down a policy of improving the original city area and building new satellite townships to prevent unchecked development and expansion of the city proper. Later, it set up six distant suburban industrial towns (Mixing, Wujing, Jiading, Anting, Songjiang and Jinshanwei) and six close suburban industrial towns (Wusong, Wujiaogai, Qiaopu, Jiehejing, Changqiao and Gaoqiao). More than 400 factories, enterprises and research units have moved to these satellite towns in the past dozen years and their total number of workers is well over 300,000.

However, only 45,000 of these 300,000 workers live in these towns and only 15 percent of the 45,000 have dependents living with them. This shows that Shanghai's satellite towns have not only failed to help alleviate Shanghai's population pressures but added to Shanghai's overburdened transport situation because 250,000 have to shuttle daily between the city proper and the suburbs. This wastes both people's energy and time.

Why don't the workers in these satellite towns move there and settle down? According to cadres and workers, it is because of the following problems:

1. Construction in these towns is not comprehensive and necessary facilities for living are inadequate. Workers do not live there because of the shortage of housing units and a still greater shortage of markets, bathrooms, nurseries, kindergartens, primary and middle schools, hospitals, theaters and sportsgrounds.
2. Industries in these satellite towns are specialized and small in scale, thus discouraging the workers from moving their families there. For instance,

Mixing has purely heavy industrial plants manufacturing machines for power stations, Jiading is an instrument industrial area and Wujing and Qiaopu are chemical plant towns. Under these circumstances, a couple working in two different factories finds it difficult to settle in the same satellite town.

3. Current policies also discourage workers from moving to satellite towns. Household registration in Shanghai is divided into three categories: Urban, township and rural. Moving from the city proper to satellite towns means a change of household registration status while benefits for township households are inferior to those for urban households. These involve, among other things, job assignments for their children, the greatest concern of parents. As for those who live in the city proper, their children are most likely to be assigned to municipal units, while the children of those living in townships are more likely to be assigned to county or township-run enterprises where the workers have a lower wage scale and fewer fringe benefits.

We have recently seen some statistics at an exhibition on Shanghai's urban planning: "Some 5,000 factories crowd in the city proper of 140 square kilometers. The population density is 40,000 per square kilometer. This is twice the density for Beijing and Tianjin and considerably higher than that of Tokyo, New York, London, Paris.... It puts a strain on electricity and water supplies, causes saturated traffic congestion, as well as serious urban pollution...." Thus, it appears very urgent to improve and accelerate the construction of satellite townships so as to effectively curb the blind development of Shanghai proper.

CSO: 4006

## GENERAL ECONOMIC INFORMATION

### 'XINHUA' FEATURE DESCRIBES DEVELOPMENT OF SMALL CITY

Beijing XINHUA Domestic Service in Chinese 0703 GMT 11 Sep 79 OW

[Feature article by XINHUA reporters Ning Yuanjiu, Dai Tingshan and Wang Zuoyuan: "Weihai Municipality Has Preserved its Small City Appearance"--an investigation on city construction]

[Excerpts] Jinan, 11 Sep--Weihai Municipality is located on the Jiaodong peninsula which juts out into the Yellow Sea. The city has a history of more than 500 years. It was established by the first emperor of the Ming Dynasty in the 31st year of Hongwu [title of reign] (1398 B.C.). In the past 30 years since liberation, the city has developed various industries, including chemical fertilizers, cement, agricultural machinery, shipbuilding, light industry, textile, paper making, leather and hide and electronic instruments. It is the second largest industrial city in Yantai Prefecture. Last year's total industrial output value was 298.86 million yuan, or 108 times that of 1949.

However, the city has grown very little in the past 30 years, today covering an area of less than 3 square kilometers with a population of less than 40,000, including over 11,000 industrial workers. In this small seaside city skirted by mountains on three sides, tall and one-storied buildings are evenly interspersed in a planned manner; stores, barbershops, vegetable shops and restaurants are located on both the main street and narrow lanes providing a convenience to the people; there are practically no unemployed people in the city; even during rush hours the main street is free of traffic congestion and large crowds; the city is almost completely free of the "three wastes" and noise; and the streets are clean and the air is fresh. Problems such as city sprawl and overconcentration of population normally seen in cities as a result of rapid industrial development are not found in this small city.

Why is it that in spite of rapid industrial development, the population and number of workers in Weihai Municipality has increased so little? Why over the years hasn't Weihai Municipality developed into a big city but preserved the characteristics of a small city? The main reason is that while strengthening planned parenthood and lowering the birth rate, Weihai

Municipality has established a number of small, dispersed townships in its suburbs in line with the principle of integrating the city with the countryside and coordinating industrial with agricultural production, thus effectively controlling the blind development of the city proper.

The following are the steps taken by the people of Weihai Municipality to achieve this:

1. Build new factories in the countryside whenever possible. Since 1970 this city has built more than 30 new factories, half of which have been built in the rural industrial zone under planning.
2. In a planned way, move some of the old factories to the countryside or set up processing points in the countryside. Since 1970 Weihai City has conducted a thorough investigation and analysis of the distribution of factories in the city and decided to move all old factories that can be moved from the city to the countryside. Up to this time, more than 10 factories, including a detonator [lei guan 7191 4619] factory, a lightbulb factory and a cable factory, have been moved to the countryside, and another group of old factories, including an iodine manufacturing factory and a storage battery factory, will also be moved to the countryside.
3. Let city industries "shed" themselves to the countryside. This means that after the factories in the city begin to produce new products, they should hand over their old products, production technology and specialized equipment to the communes and brigades at an appraised price so that the communes and brigades can engage in production and the factories in the cities should also let the commune and brigade-run factories produce items they have successfully trial-produced.
4. To facilitate the expansion of its industries toward the countryside, Weihai Municipality has attached importance to developing the public welfare projects in its six communes. In building new factories or moving old ones, the city organizes departments concerned to do the survey, designing and construction work--laying water pipes, putting up power transmission lines and building roads and bridges--to insure that water, power and roads are ready for use by the time the factories are completed.
5. Adhere to the "three no-change" policy, meaning that the nature of ownership of the enterprises remains unchanged once they move to the countryside; workers' household registry remains unchanged even after they move from the city to the countryside--the workers will keep their household registry in the city; the standard of grain and nonstaple food supplies and distribution of commodities remains unchanged at the city level.

By expanding its industry to the countryside and building six small townships around it, Weihai Municipality has created conditions favorable to urban construction in a rational manner. On the basis of the city's natural and geographical characteristics and the present state of city construction,

Weihai Municipality has since 1970 readjusted the distribution of factories and built a number of stores, hospitals, hot springs, theaters, athletic fields, primary and middle schools, nurseries and kindergartens and parks, as well as repaired some of its streets. In the past 9 years, workers' dormitories covering more than 98,000 square meters have been built, about 50 percent of the total area of workers' dormitories and houses in the entire city. Last year alone, new houses covering more than 20,000 square meters were built.

Building up a small city and expanding the city's industry to the countryside have accelerated industrialization in the countryside and created conditions favorable to building a new-type country and gradually eliminating the differences between the city and the countryside. Since industry is expanding from the city to the countryside and the level of agricultural mechanization is rising continuously, 40 percent of the surplus labor force in the countryside has been absorbed by industry. The gap between the city and the countryside has been greatly narrowed, and the people now living and working in the peace of the countryside no longer want to go to the city as before.

CSO: 4006



## GENERAL ECONOMIC INFORMATION

### LIAONING: COLLECTIVELY OWNED ENTERPRISES FACE DISCRIMINATION

Shenyang Liaoning Provincial Service in Mandarin 2200 GMT 6 Sep 79 SK

[Excerpts of LIAONING RIBAO 7 September letter from (Liu Wenzhu) on neighborhood collectively owned enterprises]

[Excerpts] Comrade editor: For a long time collectively owned enterprises have been discriminated against and ill treated, and those that have suffered most seriously have been those enterprises run by neighborhood committees in cities. Some staff members and workers said that they were discouraged to see that enterprises run by neighborhood committees were suppressed and discriminated against. Taking Fuxin Municipality as an example, the following problems exist:

1. Wages for labor are unfair.
2. Priority is not given to enterprises run by neighborhood committees in raw material and fuel supply. Such enterprises are restricted, suppressed and expelled, and as a result materials supplied to them are not sufficient, do not meet their needs, are poor in quality and cost about 10 to 15 percent higher than the price charged to other enterprises.
3. These enterprises are overloaded with taxes. In addition to industrial and commercial business tax and income tax to the state, they are required to pay the local authorities 1.5 to 2 percent of their total sales as a contribution to the general fund for various projects and 1 to 1.5 percent for administrative expense. They also have to take 35 to 40 percent out of their net profit after income tax and give it to the local authorities for general construction funds. In this way 80 percent of the income that staff members and workers have earned with hard labor is taken.

Some neighborhood offices appropriate vehicles of these enterprises for their own use, even though the enterprises still have to pay for the road tolls and gasoline on time. Being responsible for their own profit and loss, collectively owned enterprises are sure to be bankrupted if they go on being treated like this, aren't they?

CSO: 4006



## GENERAL ECONOMIC INFORMATION

### BRIEFS

**GUANGXI MUNICIPALITY INDUSTRY**--From January to early August this year, the total value of industrial output in Liuzhou Municipality increased by 9.2 percent over the corresponding period of last year. Since this year, 10.36 million yuan have been earned from processing products with materials supplied by customers from outside the municipality and foreign merchants. [Nanning Guangxi Regional Service in Mandarin 1130 GMT 25 Aug 79 HK]

**BEIJING CITY ADJUSTS RENT**--Beijing, August 31 (XINHUA)--Rent has been reduced for 530,000 Beijing families as of July 1. They comprise more than half of the capital's urban population. This is part of the municipal government's programme to re-examine housing conditions and standardize rent with the aim of cutting down rent for the majority of city residents. Beijing Municipality, or the greater Beijing, has a population of more than eight million, but about half of them are peasants living in the rural areas around the city proper. The peasants generally own their own houses and pay no rent. As a result of the readjustment, rent will take up only three per cent of the average urban Beijing family budget, as against five per cent before. Residential accommodation in Beijing will be rented at between 0.09 and 0.19 yuan per square metre, according to quality. There will be an increase in rent for over 40 per cent of Beijing's urban families. However, a municipal notice has made it clear that the new rent will be introduced only after overall repairs have been effected to the housing in question, or when new inhabitants are to move in. [Text] [Beijing XINHUA in English 0725 GMT 31 Aug 79 OW]

**SICHUAN IMPROVES FERTILIZER PLANTS**--Chengdu, September 10 (XINHUA)--By making modifications and improvements to its small nitrogenous fertilizer plants, Sichuan, China's most populous agricultural province, has raised its production capacity for nitrogenous fertilizer by 40 per cent. The work so far done includes renovating outdated equipment, adding new installations and improving production techniques. With its rich natural gas resources, Sichuan Province has 100 small nitrogenous fertilizer plants, producing one third of the province's chemical fertilizer. To date, 50 plants have been renovated and 30 are being improved. The ammonia production will increase by 300,000 tons. Since being renovated, these small plants have turned out a greater variety of products, including compound fertilizers. Some of the plants are now able to produce liquid and solid phospham. Consumption of raw materials, fuel and electricity has been cut. Twentythree new small nitrogenous fertilizer plants with a total designed capacity of 90,000 tons are now under construction in the province. [Text] [Beijing XINHUA in English 1221 GMT 10 Sep 79 OW]

ECONOMIC COOPERATION REINSTATED--The East China Economic Cooperation Conference for six provinces and one municipality convened in Shanghai during mid-August after a hiatus of more than 10 years. The conference, made up of Fujian, Jiangxi, Zhejiang, Anhui, Jiangsu, and Shandong provinces and Shanghai municipality, lasted 6 days and saw a total of 117 agreements or contracts signed. [Hong Kong WEN WEI PO in Chinese 29 Aug 79 p 1]

CSO: 4006

## FUELS AND POWER

### BRIEFS

ZHEJIANG COUNTY HYDROELECTRIC PLANTS--Wuyi County in Zhejiang has fully utilized its water resources in hilly areas by building small hydroelectric power stations. In addition to the already completed 13 stations, which have total generating capacity of 6,396 kilowatts, 7 others are being built. [Hangzhou Zhejiang Provincial Service in Mandarin 0400 GMT 1 Sep 79 OW]

CSO: 4006

## MINERAL RESOURCES

### BRIEFS

NATURAL RUTHENIUM IN GUANGDONG--The Central Laboratory of the Guangdong Geology Bureau and Geological Team 704 have announced the discovery of natural ruthenium in Guangdong. Ruthenium is a metal of the platinum group which can be added to platinum and palladium to increase their hardness, torsional resistance, corrosion resistance, and melting point, and also has important uses in thin film circuitry. [Guangzhou NANFANG RIBAO in Chinese 16 Aug 79 p 1]

CSO: 4006

## HEAVY INDUSTRY

### SICHUAN MACHINE TOOL PLANT DECISION-MAKING DESCRIBED

Beijing XINHUA Domestic Service in Chinese 0722 GMT 6 Sep 79 OW

[Newsletter by XINHUA reporters Wang Chngjie, Liang Caibin and Zhu Li: "From Too Little to Too Much"--on changes in Sichuan's Ningjiang Machine Tool Plant which draws up production plans according to market demand]

[Excerpts] Chengdu, 6 Sep--The Ningjiang Machine Tool Plant is one of the 100 enterprises which the Sichuan Provincial CCP and Revolutionary Committees selected for an experiment in which they would have more rights in making their own decisions. It is also a factory under the first Ministry of Machine Building which produces electrical machinery products based on market demand. By exercising the rights provided under the provisions of making experiments at selected points and by coordinating state plans with market control, this plant produces things based on market demand to change the state of lack of coordination between demand and supply, thus causing a new situation in plant production.

The number of machine tools this plant produced during the first half of this year for export increased by more than three times over the total output of last year. The number of machine tools to be exported in the next 2 years under signed contract is expected to increase by more than 150 percent this year, and one-third of the products put out by the whole plant is for export. This plant's products enjoy brisk sales on the domestic market.

The Ningjiang Machine Tool Plant is a factory producing machine tools for making meters. The small and precision machine tools produced are being widely used by many enterprises and trades which manufacture clocks and watches, radio parts, recorders, phonographs, instruments and meters for industrial use as well as small hardware. It plays an important role in developing the national economy and especially in the development of light industry.

In order to expand the market for its products and render better service to domestic consumers on 25 June the Ningjiang Machine Tool Plant put an advertisement in RENMIN RIBAO for direct orders from domestic and foreign consumers. The advertisement specified that the plant will not only

supply various types of precision machine tools based on consumers' needs but will also readjust and design parts based on the consumers' need and train operational and maintenance personnel for them.

Facts show that the reform being tried out by the Ningjiang Machine Tool Plant on production and marketing is very essential and has advantages. Thus it has done away with the lack of coordination between production and supply, satisfied the needs of great numbers of consumers and promoted the development of production.

There is a saying in Japanese industrial circles: The customers are the kings. It means that it is imperative to hear out and study the opinion of customers and consumers and know their needs. Since our socialist enterprises are to serve the interests of the people, we should pay more attention to this point. The experience gained by the Ningjiang Machine Tool Plant can speed up the progress of transformation and promote the development of our socialist industry with greater, faster, better and more economical results.

CSO: 4006

## HEAVY INDUSTRY

### SICHUAN PLANTS PROMOTE SALES BY LEARNING FROM FOREIGN PRODUCTS

Beijing XINHUA Domestic Service in Chinese 0730 GMT 4 Sep 79 OW

[Excerpts] Chengdu, 4 Sep--Report by XINHUA reporters Li Feng and Fan Gui: We recently interviewed the directors of 10 plants who were launching pilot projects in Sichuan. They all feel that as directors of modern plants in the new period, though they can be regarded as "experts" in accordance with past requirements they must adopt new requirements and study new knowledge.

Liu Lunbao, director of the Ningjiang Machine Tool Plant, said that in the spring of this year he made an inspection tour of Hong Kong to personally learn how to promote sales. He felt that if he did not understand international market quotations, he would be unable to set prices for his products. In view of this, he investigated the quality, output, size and prices of products made in Japan, West Germany, Switzerland and other countries and those made in Taiwan, Hong Kong and other places which were similar to those made by his plant. He also analyzed the sales potential of his products on the Hong Kong market and then set relatively reasonable prices for his products. As a result, for the first time products from his plant entered the Hong Kong market and a 3-year contract to supply products was signed with a client.

An encouraging result is that directors of many plants in Sichuan recently attended study classes with deep interest. Divorced from production, they studied economic theory and the science of managing socialist enterprises well.

CSO: 4006



## CAPITAL CONSTRUCTION

### 'WEN HUI BAO' DISCUSSES SHANGHAI 'CAPITALIST' CONSTRUCTION COMPANY

Shanghai WEN HUI BAO in Chinese 7 Aug 79 p 1 HK

[Report: "Shanghai Patriotic Construction Company To Build High Rise Apartment Buildings"]

[Text] Preparatory work for setting up the Shanghai Patriotic Construction Company by the people of industrial and commercial circles has been basically completed. The operation has been jointly conducted by the Shanghai Municipal Democratic National Construction Association and the Shanghai Municipal Association of Industry and Commerce.

In light of the spirit of the third plenum, the party policy for national bourgeoisie has been implemented. Out of their gratitude for the party Central Committee and Chairman Hua, many people in industrial and commercial circles in Shanghai expressed their desire to put their surplus money in the service of the four modernizations. In accordance with such a desire, the Shanghai Municipal Democratic National Construction Association and the Shanghai Municipal Association of Industry and Commerce began the preparatory work of setting up the Patriotic Construction Company early last May after repeated deliberations and discussions. Since the start of the preparatory work, people in industrial and commercial circles have been very enthusiastic. In accordance with the spirit of voluntary subscriptions and subscriptions based on the individuals' actual conditions, the people concerned have enthusiastically undertaken to contribute their money. There are now more than 600 subscribers.

According to the regulations of the company, the company is socialist in nature and established on funds raised under the leadership of the state. Its sole objective is to serve the four modernizations rather than for personal profits. The interests of the capital will be calculated according to the interest on fixed deposits with the People's Bank of China. Aside from paying the state tax in accordance with law, all the business profits will be used as accumulation funds in the interest of socialist construction and the modernization programs of the motherland.

The company is now looking for sites and building materials. It is also planning to build high rise apartment buildings that can be sold to people in Hong Kong. The purpose of the plan is to earn foreign exchange for the state and satisfy the needs of Hong Kong and Macao compatriots and Overseas Chinese as well as their relatives in Shanghai. In the meantime, the plan will help the former industrialists and businessmen partly solve their imminent housing problem. Furthermore, the company will properly offer funds for compensation trade and set up other service trades beneficial to the four modernizations. The company is selecting personnel with special skills and management experience among the people in the industrial and commercial circles. They will be organized to take up posts in architectural design, construction management, financial affairs, supplies and sales, foreign trade and so forth.

CSO: 4006

## CAPITAL CONSTRUCTION

### ZHEJIANG COMMENTARY STRESSES READJUSTMENT OF CAPITAL CONSTRUCTION

Hangzhou Zhejiang Provincial Service in Mandarin 1100 GMT 6 Sep 79 OW

[Short commentary: "It Is Absolutely Necessary To Readjust the Capital Construction Program"--date not given]

[Excerpts] In line with the policy of readjusting, restructuring, consolidating and improving the national economy, our province has done much work in setting priorities for projects under construction and made achievements in curtailing capital construction. In spite of the success, our work still lags behind state demands. The main problem now is that capital construction projects are becoming too large and overextended. Setting priorities for projects now under construction is an important step in readjusting the national economy and a measure to reduce the scale of capital construction, for it gives initiative to capital construction work.

Projects that are not urgently needed at present and that are not yet ready for construction should be stopped or postponed in line with the principle of readjustment. At the same time, we must try by proceeding from actual conditions in our province to go ahead with necessary projects for coal, power, (oil processing), transport and building material in accordance with priorities for agriculture, light industry and heavy industry--in that order. We must try to advance projects that can earn profits and foreign exchange when put into operation, such as projects that produce light industrial and textile items; projects that concern tourism and foreign export; and projects that have a direct bearing on the people's livelihood, such as housing, cultural, education, public health and public utility facilities.

We should realize that the scale of capital construction must be in keeping with the state's available financial and material resources. When we talk about production of goods that are in short supply or production of goods in full or excess supply, we should remember that China is a country with a population of over 900 million people, the country's financial and material resources are limited, and the people's living standard is still low. We cannot ignore this objective reality when we embark on capital construction. We must, therefore, proceed from reality and coordinate all activities

of the nation as in a chess game, so that the work of setting priorities for projects under construction will be in line with the proportionate readjustments of the entire national economy.

Some comrades worried that it would be a tremendous waste to suspend some projects now under construction. We should realize that it is indeed a waste to suspend construction of a number of half-finished projects. But we must also see the reality: By the end of last year, there were more than 3,300 projects under construction in our province. According to present construction capacity, even without adding a single project, it would still take several more years to complete all of them. Although more than 40 projects were stopped or postponed earlier, problems existing on the capital construction front characterized by overextension, dispersion, chaos and waste remain basically unsolved.

Resolving to stop or postpone the construction of certain projects now will cut down waste. Therefore, we should take both immediate and long term interests into consideration. It is imperative to readjust capital construction projects. We must overcome the wait-and-see attitude and the idea of leaving things to chance, and take into account the interest of the whole, put a firm grip on the work of readjusting capital construction projects in our province, do it well and make it successful as quickly as possible.

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## DOMESTIC TRADE

### SHANGHAI CALLS FOR MORE 'CONVENIENCE STORES' TO SERVE MASSES

Beijing XINHUA Domestic Service in Chinese 1250 GMT 9 Sep 79 OW

['Work Study' by XINHUA reporters Zhang Li, He Zixia: "Let 'Convenience Stores' Provide More Convenience to the Masses"]

[Excerpts] Shanghai, 9 Sep--In Shanghai's streets and lanes, there are stores selling miscellaneous items such as cigarettes and wine. These stores, known to the people in Shanghai as "tobacco and paper stores," are also called "husband-and-wife" stores. These stores are run in a flexible way: They are opened in the early morning when the owners get up, and they are kept open in the evening while the owners enjoy the cool of the night.

In Shanghai, one of the largest cities in China, people cannot do without "convenience stores" in their daily life. The market is brisk and stores are found everywhere.

Though people cannot do without these "convenience stores," there is a question of whether they should be kept running. Despite the fact that these stores have long acted as commission stores for state-operated commerce, some people still regard these stores as "capitalist remnants," and those who run these stores as "small proprietors." Since these "convenience stores" do not have any political standing, strict restrictions are imposed on their business. They can survive, but do not have much chance to prosper.

These reporters discussed with several comrades from the Shanghai municipal commercial department what policy should be taken toward these stores. Their opinions fall into three groups. Some hold that these individually run stores do not have good prospects. Those who run the stores are either old or sick, and they don't have any successors to their businesses; therefore, they should be left to perish of themselves.

Others hold that the only way out for these stores is to take the road of cooperative transformation. Once they are organized into cooperatives, it will be easier for the state to supervise their business and more jobs can be assigned to educated youth, thus enhancing the role of these stores.

Still others hold that under the present economic situation in our country, these small stores selling miscellaneous commodities should be kept as a supplement to state-operated or collectively owned commerce. These stores are of benefit to improving supply work in urban areas and to providing conveniences to the masses.

Those comrades who hold the third opinion think that these stores should be run as individual commission stores. They think that these stores should be allowed to keep on with their business. Politically, owners of these stores should be recognized as workers, and economic restrictions imposed on their businesses should be lifted so as to meet needs of the masses. Those who run their stores well should be allowed to earn more income and live a better life, and they should be encouraged to make greater contributions to the state. If they are no longer discriminated against politically, and if they can earn more, their children will be willing to take up their businesses.

Some comrades also maintain that in places where there are insufficient stores, households with favorable conditions and sufficient space to open stores should be allowed to sell goods on a commission basis; and more "convenience stores" should be allowed to provide convenience to the masses.

CSO: 4006

## FOREIGN TRADE

### FIRST BEIJING-GUANGZHOU-MANILA FLIGHT CELEBRATED

#### Inaugural Flight

Beijing XINHUA in English 0752 GMT 4 Sep 79 OW

[Text] Beijing, September 4 (XINHUA)--A Boeing 707 jetliner of the Civil Aviation Administration of China (C.A.A.C.) took off from Beijing airport this morning and headed for Manila, capital of the Philippines, via Guangzhou (Canton). This was the inaugural flight on a new route.

There will be two flights a week, according to the civil air transport agreement between China and the Philippines signed in July this year.

Philippine airlines opened regular flights between Manila and Beijing in August this year.

Beijing airport today was bedecked with colourful bunting and there were huge streamers inscribed "long live the friendship between the peoples of China and the Philippines!" and "celebrate the inauguration of Beijing-Guangzhou-Manila air service!"

Xu Boling, director of the Beijing Regional Administration of the C.A.A.C. and Lu Ruiling, deputy director of the International Department of C.A.A.C. were among those on this morning's flight to Manila, where they will attend inauguration celebrations.

Officials of the embassy of the Philippines in China were also on board.

Present at the airport to see them off were Shen Tu and Zhang Ruiai, director general and first deputy director general of the C.A.A.C. and Philippine Ambassador to China Narcisco G. Reyes.

#### Manila Welcomes Flight

Beijing XINHUA in English 1633 GMT 4 Sep 79 OW

[Text] Manila, September 4 (XINHUA)--A CAAC jetliner arrived here this afternoon, as an inaugural flight of the CAAC Beijing-Guangzhou-Manila line. This is a move in implementation of the air transport agreement between China and the Philippines signed last July by Vice-Premier Li Xiannian and Mrs. Imelda Marcos.



When the plane bearing the Chinese national flag and CAAC insignia landed in the festively-decorated Manila International Airport at 14:30, the CAAC officials who arrived aboard the plane were warmly welcomed by General Jesus Z. Singson, director of the Philippine Air Transportation Bureau, leading members of the Philippine Airlines (PAL) and representatives from the Foreign Ministry and the Ministry of Tourism. Xiao Te, charge d'affaires a. i. of the Chinese Embassy here, was also present.

A reception was held at the airport by PAL to celebrate the occasion.

The plane left for Beijing at around 16:00 this afternoon. In the evening, a reception was given by charge d'affaires Xiao Te in celebration of the inauguration of CAAC Beijing-Manila line. The reception was attended by leading members of the PAL and friends from various circles here.

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## FOREIGN TRADE

### BRIEFS

**IMPROVED JILIN EXPORT PROCEDURES**--In an effort to satisfy the foreign trade needs of the province, the Jilin Provincial Civil Aviation Bureau has improved its international air transportation links. This will reduce the time needed to export equipment, grain, oil, light industrial products and native products since personnel will no longer have to go to Shenyang or Beijing to finalize export procedures. [Changchun Jilin Provincial Service in Mandarin 1100 GMT 16 Aug 79 SK]

**TIANJIN FOREIGN EXCHANGE INCOME**--According to TIANJIN RIBAO, Tianjin municipality's foreign exchange income from nontrade sources has increased steadily this year. By the end of July, the municipality had fulfilled 86 percent of its annual plan, an increase of 95 percent as compared with last year's same period, thus topping the highest level in history. With the development of foreign trade, the number of ships and sailors arriving in Tianjin Port to load and unload goods has increased greatly. Various port units have done everything possible to do well in loading and unloading goods, acting as agents for foreign ships and improving supply work and service trades for foreign ships in order to strive for foreign exchanges for the state. Their foreign exchange income from January to July increased by 76 percent as compared with the same period last year. From January to July, the municipality's foreign exchange income earned by changing the money of foreign guests for renminbi increased by nearly six times as compared with last year's same period. [Tianjin City Service in Mandarin 0030 GMT 7 Aug 79 HK]

**GUANGDONG-MACAO TRADE**--Guangzhou, 19 Jul--Zhuhai Municipality of Guangdong Province has resumed small trade with Macao since 1 April this year. Every morning commune members bring fresh flowers, vegetables and fruits to Macao for sale and with their earnings they bring back such means of production as insecticides, small farming implements, flower seeds, diesel engines and fish-detectors. In April and May, this municipality increased its export of fresh vegetables by 11.1 percent over the same 1978 period, with earnings in foreign exchange increasing by 28.6 percent. The earnings in foreign exchange from the sale of flowers for 1 month equaled the total sale of the first 5 months last year. In April and May this year, Zhuhai Municipality gained nearly 3 million Hong Kong dollars in foreign exchange through small trade with Macao. The resumption of small trade with Macao was approved by the Guangdong Provincial Revolutionary Committee at the demand of the masses. [Beijing XINHUA Domestic Service in Chinese 0347 GMT 19 Jul 79 OW]

DALIAN PORT SERVICE--Shenyang, August 21--The port of Dalian, one of northern China's busiest, through provision of improved facilities has attracted 20 percent more foreign ships in the first seven months of this year than in the same period of last year. On March 10, this year, history was made with the first visit to Dalian of the 67,000-ton British passenger liner "Queen Elizabeth II," skilfully docked by Suo Kan with the assistance of four tugboats in the face of a fresh gale force. In recent months Dalian has taken measures to train new pilots, and has acquired a number of new and powerful tugboats. In the past Dalian port had no repair facilities, and foreign ships had to go to other ports for repair when they had minor breakdowns. In October last year, however, veteran workers and technicians at the port established a repair station for foreign ships. So far it has repaired 40 foreign ships. On July 1 this year, Dalian port set up a service team with 200 workers to undertake cleaning of ships' holds. More facilities for the handling of foreign shipping are to be developed as the need arises. [Beijing XINHUA in English 0251 GMT 21 Aug 79 OW]

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## TRANSPORTATION

### BRIEFS

SHANGHAI NAVIGATION RADAR STATION--The recently completed Wusongkou navigation radar station became operational on 22 August. The Wusongkou navigation radar station is situated atop the 40-meter-high Wusongkou signal station. It is equipped with CLD-5 and CLD-8 navigation radars produced by the Shipping Institute of the Ministry of Communications which have a 60-nautical-mile coverage. This brings all of the shipping channels south of the Changjiang [Yangtze] estuary under its control. The Wusongkou navigation radar station is further equipped with very high frequency radiotelephones used to direct shipping and to assure ship-to-shore communications links. Zhou Decheng [0719 1795 2052] and Sun Lingzhu [1327 0109 6999], controllers with the Shanghai Port Authority, after a year or more of hard work, finished drawing up radar navigation maps of more than 40 nautical miles of the major deep water channels from Tongsha to Wusongkou. After more than 3 months' trials with the Ministry of Communications and the concerned organs in Shanghai, it is now formally employed by shipping units. [Text] [Shanghai JIEFANG RIBAO in Chinese 29 Aug 79 p 1]

BEIJING-CHENGDE FLIGHTS--Responding to the developing tourist trade, Beijing's Civil Aviation Control Bureau has announced the opening of regular flights between Beijing and Chengde, beginning 8 August 1979. The 250 km trip will take something over 30 minutes, as opposed to more than 7 hours by train. There will be several flights weekly. [Guangzhou NANFANG RIBAO in Chinese 8 Aug 79 p 4]

NEW HEILONGJIANG RAILWAY--A new railway line began operating in the northern portion of China's Heilongjiang Province in May 1979. The 256 km Fulitun-Qianjinzheng line will connect the counties of Jixian, Fujin, Tongjiang, Raohe, Suibin, Baoqing, Youyi, as well as 24 state run farms. There are 14 stations along the line. [Hong Kong WEN WEI PO in Chinese 19 Aug 79 p 1]

HEILONGJIANG HIGHWAY PROJECT--The project of building the earth foundations of the middle section of the Harbin to Shuangcheng highway and the Harbin to (Tongjiang) highways has been completed 1 month ahead of schedule. When completed, the two rebuilt highways will be upgraded to first and second grade state highways with asphalt-paved road surface of 7.5, 9 and 15 meters wide from their original 6 meters. The middle section of the Harbin to Shuangcheng highway is 28.8 kilometers long and the Harbin to (Tongjiang) highway is 19.4 kilometers long. [Harbin Heilongjiang Provincial Service in Mandarin 1100 GMT 29 Aug 79 OW]

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